

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

AIRWAIR INTERNATIONAL LTD.,

Plaintiff,

v.

ITX USA LLC,

Defendant.

Case No. [19-cv-07641-SI](#)

**ORDER PRECLUDING RESTRICTION  
COUNTERCLAIM**

RE: 151, 152, 155

This matter is set for jury trial on August 2, 2021. During the final pretrial conference on July 27, 2021, the question was raised whether in this trial defendant may seek restriction of plaintiff's '750 and '751 marks to the color yellow through a restriction counterclaim. The Court instructed the parties to brief this question, and on July 29, 2021, the parties submitted their briefs. Dkt. Nos. 151, 152.

Plaintiff argues – correctly – that defendant failed to plead a restriction counterclaim in its answer and counterclaims. Dkt. No. 152 at 4. Defendant argues the Court nevertheless has the authority to restrict plaintiff's trade dresses under Section 37 of the Lanham Act, 15 U.S.C. § 1119, and that plaintiff should have been on notice of defendant's restriction claim because defendant inquired about the scope of plaintiff's rights in plaintiff's trade dress during discovery. Dkt. No. 151 at 2-5.

The Court finds defendant did not properly plead a restriction counterclaim and may not add it to the case during the week before trial. Defendant did not plead in its answer and counterclaims that plaintiff's '750 and '751 marks should be restricted to yellow. Instead, defendant pled a "cancellation" counterclaim, arguing only that plaintiff's trade dresses "should be cancelled." *See* Fed. R. Civ. P. 8(d)(1) ("Each allegation must be simple, concise, and direct."); *cf. Park Law Firm*

1 v. *Park Law Offices, P.C.*, 18-cv-7960, 2020 WL 3213797 at \*3 (C.D. Cal. Mar. 23, 2020)  
2 (discussing defendant’s “cancellation or restriction” counterclaims where defendant plead  
3 “Cancellation or Restriction of Registration” in counterclaims). Moreover, Defendant’s answer and  
4 counterclaims do not plead Section 37 of the Lanham Act or 15 U.S.C. § 1119. Accordingly,  
5 Defendant is precluded from asserting a restriction counterclaim in this trial.

6 Plaintiff’s motion to remove incorrectly filed documents, Dkt. Nos. 152-1 and 153, is

7 **GRANTED.**

8 **IT IS SO ORDERED.**

9 Dated: July 30, 2021



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11 SUSAN ILLSTON  
United States District Judge